



**KODIAK COMMUNITY
HEALTH CENTER**

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~~Received & inspected~~

January 16, 2014

JAN 29 2014

HCP: 16031
Funding Year 2012
Application Number: 43126336

FCC Mail Room

Kodiak Community Health Center
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Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

RE: "WC Docket No. 02-60."

Kodiak Community Health Center (KCHC) filed an appeal to Universal Services (USAC) on October 16, 2013 because KCHC had inadvertently missed a deadline for filing Form 466. USAC denied this appeal (Attachment 3) on grounds it has no authority to waive program deadlines. Therefore, KCHC is appealing USAC's decision and is requesting that the FCC allows KCHC to retroactively submit a Funding Request for the period of 7.1.2012 to 12.20.2012. Our rationale for this request is outlined below.

As an overview, Kodiak Community Health Center (KCHC) is a nonprofit agency that provides access to medical and dental care on a sliding fee discount to the low income, uninsured residents of Kodiak Island. There are many low income, uninsured individuals on Kodiak Island and the cost of living is high. These community members rely heavily on our health care services in order to maintain their health and consequently the overall health of our community. Medical care is expensive and KCHC is the only medical office on Kodiak Island offering discounted medical care for the general population.

As a nonprofit offering a significant discount for medical care KCHC relies on outside funding to support the cost of its services. Patient generated revenues are insufficient to cover the costs KCHC incurs to provide these services. Consequently, it is common for KCHC to struggle with insufficient funding and cash flow is always challenging. As an example, between January 2013 to September 2013 KCHC has experienced a loss of \$11,681 (see Attachment 1).

Universal Services has been a significant contributor to our viability and Kodiak CHC has participated in the Rural Health Care Program for many years. In December 2012 we made changes to our data bandwidth and internet services. These changes were initiated in an effort to reduce our overall cost structure while improving our connectivity as that had consistently been a

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problem. Since these changes our connectivity has been much more stable. However, as a business on a rural island in Alaska there is significant turnover of our staff and the individual who handled the USAC application process left in April 2012. Current staff filed applications for both the internet and the bandwidth support as required for the December 2012 change however we were not aware there was a requirement to file an additional Funding Request form for the period of 7.1.2012 to the time we changed our services on 12.20.2012. On October 7, 2013 we discovered while working with AT&T that we had not filed the additional USAC form for the data bandwidth service for the period noted. This was an unfortunate oversight on our part however it was not a result of willful neglect but new staff stepping into an unfamiliar process at the time the form was due. At the time staff believed we were receiving a funding support for all of 2012. This error resulted in an additional amount due AT&T from Kodiak Community Health Center of approximately \$18,000, which is a significant hardship for us.

Recognizing the imperative nature of this funding to our viability we immediately initiated processes that will enable us to avoid this error in the future.. These changes are as follows:

- Reassigned responsibility for the USAC forms to the CFO
- Developed a tracking tool that delineates deadlines for current and future staff to reference as needed (see Attachment 2)
- Immediately responded to our mistake when it was discovered
- Scheduled two staff members to attend the monthly USAC conference calls

Aside from this one oversight KCHC has participated in the Rural Health Care Program successfully for many years. We appeal this amount and respectfully request KCHC is allowed to retroactively apply for and receive USAC funding for the period 7.1.2012 to 12.21.2012. This will enable KCHC to maintain its services to its target population.

Sincerely,

Judy Christine (JC) Rathje, RN, MA, MBA
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